

- A. Section 201: This section states that the sealed bids method shall be used when all of certain conditions are met. One need, as set forth in paragraph 2 states that an agency's need can be practicably defined in terms not restricted by security or proprietary design.

Comment: We are concerned that the definition of the word "security" may be narrowly construed and that our negotiation of unclassified association contracts with their "non-publicity" concept may be in jeopardy. This would require us to use the sealed bid (formal advertising) approach to procurement. Insertion of the words "operational requirements" after or before the word "security" could solve this problem.

- B. Sections 202 and 302 - (Issue of publicizing procurement actions will be addressed under Section 512)
- C. Section 304 - (Issue of publicizing procurement actions will be addressed under Section 512)
- D. Section 306(b): This part discusses the audit rights of the Comptroller General of the United States.

Comment: Language should be inserted to make sure this right to audit does not extend to those acquisition actions involving unvouchered funds. This may not be an issue if Section 403j, 50 United States Code takes precedent over the new Federal Acquisition Act.

- E. Section 512: This section sets forth the publicity requirements for acquisitions over \$10,000.

Comment: We do not believe it is in the CIA's best interest to become involved in the publication of proposed acquisitions above \$10,000. Under paragraph 6 of Section 512, the requirements for publication of intent are waived for acquisitions for which it is determined in writing by the procuring agency, with the concurrence of the Administrator, Small Business Administration, that advance publicity is not appropriate or reasonable. The question is, do we address this matter while the proposed statute is being considered, or do we wait and take up the matter with the Administrator, Small Business Administration?

- F. Section 515: This section provides that the Administrator for Federal Procurement Policy is authorized and directed to initiate, in consultation with the Small Business Administration, periodic reviews of acquisition programs within the executive branch with the objective of making sure minority businesses have full opportunity to compete for Government contracts.

Comment: We are opposed to having our acquisition programs reviewed by the Administrator for Procurement Policy and/or the Small Business Administration because of our statutory responsibility to protect sources and methods.

- G. Section 701: This section provides for the procedures to be followed involving protests and defines the role of the General Accounting Office.

Comment: Procedures should be established for protests involving classified contracts.

- H. Section 901: This section lists the amendments and repeals of prior statutes.

Comment: By virtue of repeal of the Armed Services Procurement Act of 1947, Title III of the Federal Property and Administration Services Act, and Section 403c of Title 50, United States Code, the CIA's procurement authority will stem entirely from the Federal Acquisition Act of 1977, and Section 403j of Title 50, United States Code.